CLP 2018 Sustainability Report Feedback Summary

CLP Group's 2018 Sustainability Report (SR) was developed with a revised materiality assessment process pursuant to the World Business Council for Sustainable Development's (WBCSD) feedback last year that highlighted the distillation of material topics.

The update from the previous Boundary Scoping and Materiality Identification methodology to the guidelines published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the WBCSD in October 2018[1] was well received by stakeholders, readers as well as reviews. Reviewers also appreciated our innovation of a web-based report integrating Global Reporting Initiative standards with the Hong Kong Stock Exchange Environmental, Social and Governance guidelines.

Feedback and critical engagement are crucial in enhancing the quality of our reporting. This report summarises the key commendations and constructive comments from the feedback we received which we will seek to incorporate in future reports.

Feedback Summary

We value direct feedback from our readers and stakeholders. Through our online feedback form, the overall quality of the report was rated a favourable 4.5 out of 5, with 5 being the best. Readers also highlighted the pleasant reading experience, particularly with the use of tables, charts and infographics. One reader specifically praised the use of the new material topic assessment methodology. Although the feedback was limited, it was much improved from last year. We will endeavour to continue enhancing our efforts to reach out to our stakeholders and ensure the quality of our reporting.

Further reviews of the report commended the following areas in particular:

· Consideration of wider sustainability context – Highlighting drivers and megatrends through material topics and useful "Why this matters" section

· Stakeholder Engagement – Analysing stakeholders' key interests and concerns then lists CLP actions in response

· Organizational Context and Profile – Outlines CLP organizational context, including values, ethics, history as well as asset maps, energy portfolio changes and governance structures

We also received some constructive comments in improving our sustainability reporting:

· Creating a high-level summary and roadmap – Improve navigation and readability, helps incorporate information into a broader context

· Detailing more management approaches and targets – Address grievance mechanisms as per GRI; Reporting a more complete set of sustainability targets beyond climate

· Balancing the report – Increase reporting on both positive and negative aspects by highlighting challenges

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1   COSO & WBCSD, Applying enterprise risk-management to environmental, social and governance-related risks, (October 2018) https://www.wbcsd.org/bn68